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# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

| IN RE:                             | ) |                          |
|------------------------------------|---|--------------------------|
| FORD CITY CONDOMINIUM ASSOCIATION, | ) | Case No. 21-05193        |
| Debtor.                            | ) | Chapter 11               |
|                                    | ) | Honorable Carol A. Dovle |

## **NOTICE OF MOTION**

PLEASE TAKE NOTICE that on the 2<sup>nd</sup> day of September 2021 at the hour of 10:30 a.m., or as soon thereafter as counsel can be heard, I shall appear before the Honorable Carol A. Doyle, Bankruptcy Judge, or before any other Judge who may be sitting in Judge Doyle's place, and present the Certain Unit Owners' Motion to Join Trustee's Motion to Remove Debtor in Possession, a copy of which is attached hereto and herewith served upon you.

This motion will be presented and heard electronically using Zoom for Government. No personal appearance in court is necessary or permitted. To appear and be heard on the motion, you must do the following:

**To appear by video,** use the link: https://www.zoomgov.com/. Then enter the meeting ID and password.

**To appear by telephone,** (1) call Zoom for Government at 1-669-254-5252 or 1-646-828-7666. Then enter the meeting ID and password.

Meeting ID and password. The meeting ID for this hearing is 161 155 8289 and the password id **Doyle742**. The meeting ID and password can also be found on the judge's page on the court's web site.

To reach Judge Doyle's web page go to www.ilnb.uscourts.gov and click on the tab for Judges.

If you object to this motion and want it called on the presentment date above, you may file a Notice of Objection no later than two (2) business days before that date. If a Notice of Objection is timely filed, the motion will be called on the presentment date. If no Notice of Objection is timely filed, the court may grant the motion in advance without a hearing.

/s/ Phyllis Y. Price/ Law Office of Phyllis Price 30 N. Michigan Ave., Suite 1310 Chicago, IL 60602 (312) 379-0044 pprice@pricelawofc.com

# **CERTIFICATE OF SERVICE**

I, the undersigned, an attorney, hereby state that I caused a copy of the foregoing Notice and attached Motion to be served upon the Debtor on August 26, 2021 via U.S. mail and all other persons listed on the below Service List via the Electronic Court Filing (ECF) system by filing these documents on the 26<sup>th</sup> day of August 2021.

/s/ Phyllis Y. Price/
Attorney for Joanna Stallworth
Attorney for LeEthel Franklin
Attorney for Thelma Swims

### **SERVICE LIST**

### Via US Mail:

Ford City Condominium Association 4300 Ford City Drive, Unit 105 Chicago, IL60652-1283

## **Court's Electronic Registration:**

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# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

| IN RE:                             |                                 |
|------------------------------------|---------------------------------|
| FORD CITY CONDOMINIUM ASSOCIATION, | )<br>Case No. 21-05193          |
| Debtor.                            | )<br>) Chapter 11               |
|                                    | )<br>) Honorable Carol A. Doyle |
| ;                                  | )                               |

# <u>CERTAIN UNIT OWNERS' MOTION TO JOIN TRUSTEE'S MOTION TO REMOVE</u> <u>DEBTOR IN POSSESSION</u>

Joanna Stallworth, Thelma Swims and LeEthel Franklin, three (3) unit owners and members of Ford City Condominium Association (the "**Unit Owners**"), by and through their attorney, Phyllis Y. Price of Law Office of Phyllis Price, hereby join in the Motion of the U.S. Trustee for the Northern District of Illinois (the "**Trustee**"), filed on 7/7/2021 pursuant to 11 U.S.C. § 1185(a) for an order removing the debtor in possession. In support of this joinder, the Unit Owners state as follows:

### **JURISDICTION**

1. This Court has jurisdiction pursuant to 28 U.S.C. §157 and §1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §157(b).

### PRELIMINARY STATEMENT

- On April 20, 2021, Debtor filed a voluntary petition for relief under Chapter 11
   Subchapter V of the United States Bankruptcy Code.
- On July 7, 2021, the Trustee filed its Motion To Remove The Debtor In
   Possession Or, In The Alternative, To Dismiss Case, and stating the factual

- details and legal arguments in support of removing the debtor in possession under §1185 or dismiss the case under §1112.
- 4. The Unit Owners currently have an action filed on September 8, 2020, pending in the Circuit Court of Cook County, Chancery Division against the Debtor and members of its Board of Managers styled as *Stallworth*, et al. v. Ford City Condominium Association, et al. (Case No. 2020 CH 05755) (the "State Court Action") and a Motion for Relief from the Automatic Stay filed on July 26, 2021.
- 5. The Debtor filed a Motion for Turnover of Property of the Estate against the Unit Owners on July 27, 2021, seeking the payment of assessments of the Unit Owners currently held by their attorney in an escrow account.
- 6. The Unit Owners join in the Trustee's request for removal of the debtor in possession, but not to dismiss the case.
- 7. The Unit Owners' State Court Action and objection to payment of withheld assessments to the Debtor are based on and align with the allegations set forth in the Trustee's Motion for Removing the Debtor in Possession.
- 8. Specifically, the Unit Owners believe that the self-dealing, gross negligence and failure to comply with law by the managers of the Debtor preclude the Debtor from being competent to proceed as debtor in possession.

### FACTUAL SUMMARY

9. Members of the Debtor who own units at the Ford City Village Apartments have since September 2019 either failed to receive any, or haphazardly received current invoice(s) or statement(s) of assessments owed, and the Debtor both before and during the bankruptcy consistently fails to adequately meet the most fundamental and basic obligation of a condominium association to receive and apply owner assessments to the operation and management of the property.

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10. On information and belief, certain managers of the Debtor have engaged in fraudulent conveyances of units of the Ford City Village Apartments and allegedly converted to their own accounts rents and other payments otherwise owed to the Debtor, or to unit owners removed from possession.

### **ARGUMENT**

- 11. The dishonesty, incompetence, and gross mismanagement by the Debtor's board of managers evidence that it should be removed as debtor in possession.
  11 U.SC. §1185(a).
- 12. The Unit Owners do not believe that dismissing the case under § 1112(b) is in the best interests of the estate or its creditors.

## **RELIEF REQUESTED**

13. The Unit Owners respectfully confirm their intent to join *in part* the Trustee's Motion to Remove the Debtor In Possession or, In the Alternative, To Dismiss Case.

/s/ Phyllis Y. Price/ Phyllis Y. Price

Phyllis Y. Price Law Office of Phyllis Price 30 N. Michigan Ave., Suite 1310 Chicago, IL 60602 (312) 379-0044 Attorney Reg. No. 6198953 pprice@pricelawofc.com